STAFF REPORT ON COMPLIANCE WITH PRELIMINARY CERTIFICATE CONDITIONS 3RD QUARTER, 1996

Prepared for	, 1996 Board Meeting
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This report illustrates riverboat gaming preliminary certificate holders' compliance with the voluntary procurement and employment conditions proposed in their respective applications and as set forth in their certificates of preliminary approval.

These conditions were proposed by each of the applicants who received certificates of preliminary approval from the Louisiana Riverboat Gaming Commission. The Louisiana Riverboat Economic Development and Gaming Control Act provides for fifteen riverboat casinos to operate in the State of Louisiana.

As of this date of this report, fourteen riverboat casinos are currently operating in the State of Louisiana; however, the data is limited to the first thirteen riverboats to commence operation, due to the fact that one riverboat casino, Crescent City Capital Development Corporation (Casino Magic), commenced operations after the third quarter.

The fifteenth riverboat preliminary certificate and license was surrendered by American Entertainment/Circus Circus in July 1995. The Louisiana Gaming Control Board is presently reviewing applications to reissue the fifteenth license.

This report is taken from figures reported by thirteen operating riverboats to the Commission for the third calendar quarter of 1996.

Where a preliminary certificate does not set forth a specific procurement or employment figure, but instead relies on census figures to state its proposed goals, 1990 census figures are supplied to illustrate that holder's level of compliance.

1. LOUISIANA RIVERBOAT GAMING PARTNERSHIP: (Isle of Capri Casino)

Preliminary Approval: March 12, 1993 Operations commenced: April 22, 1994

A. <u>Preliminary Certificate Conditions:</u>

I. Employment Conditions:

- a. Hire 75% Louisiana residents.
- b. Hire 24.3% minorities and women or in proportion with the population of state or

parish, whichever is greater.

c. Hire 770 persons in riverboat and support operations.

ii. **Procurement Conditions:**

- a. Procure 75% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
 - b. Procure 10% and 10% of goods and services from minority and women majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

<u>September 30, 1996</u>

I. Employment Results:

Total	1,928
Louisiana	98.03%
Female	57.52%
Minority	60.06%

ii. Procurement Results:

Total La. 74.97% Female 9.38% Minority 21.73%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

2. QUEEN OF NEW ORLEANS AT THE HILTON: (Flamingo Casino)

Preliminary Approval: March 12, 1993 Operations commenced: February 10, 1994

A. Preliminary Certificate Conditions:

I. Employment Conditions:

- a. Hire 80% Louisiana residents.
- b. Hire minorities and women in proportion with the population of state or parish, whichever is greater.
- c. Hire 600 persons in riverboat and support operations upon commencement of vessel #2 operations.

ii. Procurement Conditions:

- a. Procure 75% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
 - b. Procure 30% of goods and services from minority owned firms.
 - c. Procure 10% of goods and services from majority female owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

<u>September 30, 1995</u>

I. Employment Results:

Total	732
Louisiana	99.6%
Female	50.8%
Minority	58.6%

ii. Procurement Results:

Total La. 79.71% Minority 24.7% Female 17.9%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

3. **RED RIVER ENTERTAINMENT:** (Harrah's Shreveport)

Preliminary Approval: March 12, 1993 Operations commenced: April 18, 1994

A. <u>Preliminary Certificate Conditions:</u>

I. Employment Conditions:

- a. Hire 80% Louisiana residents.
- b. Hire minorities and women in proportion with the population of the state or parish, whichever is greater.
- c. Hire 700 persons in riverboat and support operations.

ii. Procurement Conditions:

- a. Procure 60% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
 - b. Procure 25% of goods and services from minority owned firms.
 - c. Procure 10% of goods and services from female majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

September 30, 1996

I. Employment Results:

Total 1,531 Louisiana 97.6%

Female 58.2% Minority 59.5%

ii. Procurement Results:

Total La. 74.7% Minority 20% Female 21%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

4. PLAYERS LAKE CHARLES: (Players II)

Preliminary Approval: March 12, 1993 Operations commenced: December 8, 1994

A. <u>Preliminary Certificate Conditions:</u>

1. Employment Conditions:

- a. Hire 75% Louisiana residents.
- b. Hire minorities and women in proportion with the population of the state or parish, whichever is greater.
- c. Hire 800 persons in riverboat and support operations.

2. **Procurement Conditions:**

- a. Procure 60% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
- b. Procure 10% (minorities) and 9% (female) of goods and services from minority and female majority-owned firms during preopening construction period.
- c. Procure 5% (minorities) and 5% (female) of goods and services from minority and female majority-owned firms during post construction period.

B. Actual Results per Quarterly Reports supplied by Riverboats:

September 30, 1996

I. Employment Results:

Total 1,220 Louisiana 97.53% Female 57% Minority 50%

ii. Procurement Results:

Total La. 73.63% Minority 10.20% Female 18.85%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

5. SHOWBOAT STAR PARTNERSHIP: (Star Casino)

Preliminary Approval: March 26, 1993 Operations commenced: October 24, 1994

A. Preliminary Certificate Conditions:

I. Employment Conditions:

- a. Hire 70% Louisiana residents.
- b. Hire 25% minorities and 45% women.
- c. Hire 800 persons in riverboat and support operations.

ii. Procurement Conditions:

- a. Procure 80% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
 - b. Procure 10% and 10% of goods and services from minority and women majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

September 30, 1996

I. Employment Results:

Total 811 Louisiana 97.53% Female 54% Minority 50%

ii. Procurement Results:

Total La. 89.54% Minority 17.01% Female 30.83%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

6. HORSESHOE ENTERTAINMENT: (The Horseshoe)

Preliminary Approval: March 26, 1993 Operations commenced: July 9, 1994

A. <u>Preliminary Certificate Conditions:</u>

I. Employment Conditions:

- a. Hire 75% Louisiana residents.
- b. Hire minorities and women in proportion to the population of the state or parish, whichever is greater.
 - c. Employ 1000 persons in riverboat and support operations.

ii. Procurement Conditions:

- a. Procure 75% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
 - b. Procure 35% and 35% of goods and services from minority and women majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

September 30, 1996

I. Employment Results:

Total 1,945 Louisiana 97.8% Female 54% Minority 54%

ii. Procurement Results:

Total La. 89% Minority 38% Female 22%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

7. LOUISIANA-I GAMING: (Boomtown Belle Casino)

Preliminary Approval: June 18, 1993 Operations commenced: August 5, 1994

A. <u>Preliminary Certificate Conditions:</u>

I. Employment Conditions:

- a. Hire 90% Louisiana residents.
- b. Hire minorities and women in proportion to the population of the state or parish, whichever is greater.
 - c. Employ 550 persons in riverboat and support operations.

ii. Procurement Conditions:

- a. Procure 80% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
 - b. Procure 15% and 15% of goods and services from minority and women majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

<u>September 30, 1996</u>

I. Employment Results:

Total 941 Louisiana 99.1% Female 55.8% Minority 36%

ii. Procurement Results:

Total La. 91.64% Minority 9.41% Female 18.25%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

8. CATFISH QUEEN PARTNERSHIP: (Belle of Baton Rouge)

Preliminary Approval: March 26, 1993 Operations commenced: September 30, 1994

A. <u>Preliminary Certificate Conditions:</u>

I. Employment Conditions:

- a. Hire 90% Louisiana residents.
- b. Hire minorities and women in proportion to the population of the state or parish, whichever is greater.
 - c. Employ 800 persons in riverboat and support operations.

ii. Procurement Conditions:

- a. Procure 75% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
 - b. Procure 15% and 15% of goods and services

from minority and women majority-owned firms.

B. <u>Actual Results per Quarterly Reports supplied by Riverboats:</u>

<u>September 30, 1996</u>

I. Employment Results:

Total 749 Louisiana 98.93% Female 45% Minority 44.33%

ii. Procurement Results:

Total La. 86.98% Minority 19.33% Female 19.15%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

9. TREASURE CHEST CASINO, L.L.C.: (Treasure Chest)

Preliminary Approval: June 18, 1993 Operations commenced: September 5, 1994

A. <u>Preliminary Certificate Conditions:</u>

I. Employment Conditions:

- a. Hire 80% Louisiana residents.
- b. Hire minorities and women in proportion to the population of the state or parish, whichever is greater.
 - c. Employ 500 persons in riverboat and support operations.

ii. Procurement Conditions:

a. Procure 75% of goods and services from or

through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.

b. Procure 15% and 15% of goods and services from minority and women majority-owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

September 30, 1996

I. Employment Results:

Total	1,239
Louisiana	99.67%
Female	47.05%
Minority	34.22%

ii. Procurement Results:

Total La.	92.60%
Minority	19.54%
Female	17.07%

C. <u>1990 Statewide census results:</u>

Minority Percentage: 34.76% Female Percentage: 51.86%

10. LOUISIANA CASINO CRUISES: (Casino Rouge)

Preliminary Approval: March 26, 1993 Operations commenced: December 28, 1994

A. <u>Preliminary Certificate Conditions:</u>

I. Employment Conditions:

- a. Hire 80% Louisiana residents.
- b. Hire minorities and women at 30% and 35% respectively, or in proportion to the population of the state or parish,

whichever is greater.

c. Employ 600 persons in riverboat and

support operations.

ii. Procurement Conditions:

- a. Procure 80% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
- b. To procure 10% and 10% of the total cost of goods and services from minorities and women (respectively) majority owned suppliers and firms during the re-opening construction phase. During the post-opening operating phase, to procure 10% and 10% of the total cost of goods and services from minorities and women (respectively) majority owned suppliers

and firms.

B. <u>Actual Results per Quarterly Reports supplied by Riverboats:</u>

<u>September 30, 1996</u>

I. Employment Results:

Total 934 Louisiana 99.35% Female 52.35% Minority 59.10%

ii. Procurement Results:

Total La. 78.79% Minority 13.99% Female 7.46%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

11. BELLE OF ORLEANS, L.L.C.: (The Belle of Orleans)

Preliminary Approval: June 18, 1993

Operations commenced: July 7, 1995

A. Preliminary Certificate Conditions:

I. Employment Conditions:

- a. Hire 70% Louisiana residents.
- b. Hire minorities and women in proportion with the population of state or parish, whichever is greater.
- c. Hire 400 persons in riverboat and support operations.

ii. Procurement Conditions:

- a. Procure 80% of goods and services from or through Louisiana companies, excluding Riverboat construction and purchase of gaming devices and supplies.
 - b. Procure 30% of goods and services from minority owned firms.
 - c. Procure 10% of goods and services from majority female owned firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

September 30, 1996

I. Employment Results:

Total	861
Louisiana	97%
Female	52%
Minority	63%

ii. Procurement Results:

Total La. 86% Minority 10.43% Female 4%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

12. ST. CHARLES GAMING COMPANY, INC. (Isle of Capri - Lake Charles)

Preliminary Approval: June 18, 1993 Operations commenced: July 29, 1995

A. <u>Preliminary Certificate Conditions:</u>

1. Employment Conditions:

- a. Hire 75% Louisiana residents.
- b. Hire minorities and women in proportion with the population of the state or parish, whichever is greater.
- c. Hire 650 persons in riverboat and support operations.

2. Procurement Conditions:

- a. Procure 60% of goods and services from or through Louisiana companies.
- b. Procure 10% and 10% of goods and services from minority and women majority-owned suppliers and firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

September 30, 1996

I. Employment Results:

Total	1,762
Louisiana	93.13%
Female	28.66%
Minority	49.09%

ii. Procurement Results:

Total La.	59.74%
Minority	11.82%
Female	24 61%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

13. **GRAND PALAIS RIVERBOAT, INC.** (Isle of Capri - Westlake)

Preliminary Approval: June 18, 1993 Operations commenced: July 12, 1996

A. <u>Preliminary Certificate Conditions:</u>

1. Employment Conditions:

- a. Hire 90% Louisiana residents.
- b. Hire minorities and women in proportion with the population of the state or parish, whichever is greater.
- c. Hire 520 persons in riverboat and support operations.

2. **Procurement Conditions:**

- a. Procure 90% of goods and services from or through Louisiana companies.
- b. Procure 10% and 8% of goods and services from minority and women majority-owned suppliers and firms.

B. Actual Results per Quarterly Reports supplied by Riverboats:

<u>September 30, 1996</u>

I. Employment Results:

Total	496
Louisiana	93.35%
Female	34.98%
Minority	39.52%

ii. Procurement Results:

Total La.	45.80%
Minority	13.38%
Female	16.18%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%

14. CRESCENT CITY CAPITAL DEVELOPMENT CORP. (Casino Magic - Bossier City)

Preliminary Approval: June 18, 1993 Operations commenced: October 4, 1996

A. <u>Preliminary Certificate Conditions:</u>

1. Employment Conditions:

- a. Hire 80% Louisiana residents.
- b. Hire minorities and women in proportion with the population of the state or parish, whichever is greater.
- c. Hire 775 persons in riverboat and support operations.

2. **Procurement Conditions:**

- a. Procure 80% of goods and services from or through Louisiana companies.
- b. Procure 10% and 10% of goods and services from minority and women majority-owned suppliers and firms.

B. <u>Actual Results per Quarterly Reports supplied by Riverboats:</u> <u>September 30, 1996</u>

I. Employment Results:

Total 846 Louisiana 96.60% Female 56% Minority 52%

ii. Procurement Results:

Total La. 49.42% Minority .08% Female 2.52%

C. 1990 Statewide census results:

Minority Percentage: 34.76% Female Percentage: 51.86%